



General Assembly

Substitute Bill No. 843

January Session, 2009

* SB00843HS 031909 *

**AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING SOCIAL SERVICES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17a-485e of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2009*):

3 (a) For purposes of this section "state assistance" means a payment
4 by the state of actual debt service, comprised of principal, interest,
5 interest rate swap payments, liquidity fees, letter of credit fees, trustee
6 fees, and other similar bond-related expenses.

7 (b) The State Bond Commission may authorize the State Treasurer
8 and the Secretary of the Office of Policy and Management to enter into
9 a contract or contracts to provide state assistance on bonds issued by
10 the Connecticut Housing Finance Authority as provided in this
11 section. If so authorized by the State Bond Commission, the state,
12 acting by and through the Secretary of the Office of Policy and
13 Management and State Treasurer, shall enter into a contract or
14 contracts with the Connecticut Housing Finance Authority that
15 provide the state shall pay to said authority state assistance on bonds
16 issued by said authority for purposes of providing funds for mortgage
17 loans made by said authority pursuant to the provisions of section 17a-
18 485c, funds for reasonable repair and replacement reserves and costs of
19 issuance in an aggregate principal amount not to exceed [one hundred

20 five] seventy million dollars. Any provision of such a contract entered
21 into providing for payments equal to annual debt service shall
22 constitute a full faith and credit obligation of the state and as part of
23 the contract of the state with the holders of any bonds or refunding
24 bonds, as applicable, appropriation of all amounts necessary to meet
25 punctually the terms of such contract is hereby made and the State
26 Treasurer shall pay such amounts as the same become due. The
27 Connecticut Housing Finance Authority may pledge such state
28 assistance as security for the payment of such bonds or refunding
29 bonds issued by said authority. Any bonds so issued for the
30 Supportive Housing Initiative by the Connecticut Housing Finance
31 Authority and at any time outstanding may at any time or from time to
32 time be refunded, in whole or in part, by the Connecticut Housing
33 Finance Authority by the issuance of its refunding bonds in such
34 amounts as the authority may deem necessary or appropriate but not
35 exceeding an amount sufficient to refund the principal amount of the
36 bonds to be so refunded, any unpaid interest thereon, and any
37 premiums, commissions and costs of issuance necessary to be paid in
38 connection therewith. The state, acting by and through the Office of
39 Policy and Management and the State Treasurer and without further
40 authorization, may execute an amendment to any contract providing
41 state assistance as required in connection with such refunding bonds.

42 (c) Notwithstanding any contract entered into by the state with the
43 Connecticut Housing Finance Authority for state assistance the bonds
44 or refunding bonds to which such state assistance applies shall not
45 constitute bonds or notes issued or guaranteed by the state within the
46 meaning of section 3-21.

47 Sec. 2. Subdivision (4) of subsection (f) of section 17b-340 of the
48 general statutes is repealed and the following is substituted in lieu
49 thereof (*Effective July 1, 2009*):

50 (4) For the fiscal year ending June 30, 1992, (A) no facility shall
51 receive a rate that is less than the rate it received for the rate year
52 ending June 30, 1991; (B) no facility whose rate, if determined pursuant

53 to this subsection, would exceed one hundred twenty per cent of the
54 state-wide median rate, as determined pursuant to this subsection,
55 shall receive a rate which is five and one-half per cent more than the
56 rate it received for the rate year ending June 30, 1991; and (C) no
57 facility whose rate, if determined pursuant to this subsection, would be
58 less than one hundred twenty per cent of the state-wide median rate,
59 as determined pursuant to this subsection, shall receive a rate which is
60 six and one-half per cent more than the rate it received for the rate year
61 ending June 30, 1991. For the fiscal year ending June 30, 1993, no
62 facility shall receive a rate that is less than the rate it received for the
63 rate year ending June 30, 1992, or six per cent more than the rate it
64 received for the rate year ending June 30, 1992. For the fiscal year
65 ending June 30, 1994, no facility shall receive a rate that is less than the
66 rate it received for the rate year ending June 30, 1993, or six per cent
67 more than the rate it received for the rate year ending June 30, 1993.
68 For the fiscal year ending June 30, 1995, no facility shall receive a rate
69 that is more than five per cent less than the rate it received for the rate
70 year ending June 30, 1994, or six per cent more than the rate it received
71 for the rate year ending June 30, 1994. For the fiscal years ending June
72 30, 1996, and June 30, 1997, no facility shall receive a rate that is more
73 than three per cent more than the rate it received for the prior rate
74 year. For the fiscal year ending June 30, 1998, a facility shall receive a
75 rate increase that is not more than two per cent more than the rate that
76 the facility received in the prior year. For the fiscal year ending June
77 30, 1999, a facility shall receive a rate increase that is not more than
78 three per cent more than the rate that the facility received in the prior
79 year and that is not less than one per cent more than the rate that the
80 facility received in the prior year, exclusive of rate increases associated
81 with a wage, benefit and staffing enhancement rate adjustment added
82 for the period from April 1, 1999, to June 30, 1999, inclusive. For the
83 fiscal year ending June 30, 2000, each facility, except a facility with an
84 interim rate or replaced interim rate for the fiscal year ending June 30,
85 1999, and a facility having a certificate of need or other agreement
86 specifying rate adjustments for the fiscal year ending June 30, 2000,
87 shall receive a rate increase equal to one per cent applied to the rate the

88 facility received for the fiscal year ending June 30, 1999, exclusive of
89 the facility's wage, benefit and staffing enhancement rate adjustment.
90 For the fiscal year ending June 30, 2000, no facility with an interim rate,
91 replaced interim rate or scheduled rate adjustment specified in a
92 certificate of need or other agreement for the fiscal year ending June
93 30, 2000, shall receive a rate increase that is more than one per cent
94 more than the rate the facility received in the fiscal year ending June
95 30, 1999. For the fiscal year ending June 30, 2001, each facility, except a
96 facility with an interim rate or replaced interim rate for the fiscal year
97 ending June 30, 2000, and a facility having a certificate of need or other
98 agreement specifying rate adjustments for the fiscal year ending June
99 30, 2001, shall receive a rate increase equal to two per cent applied to
100 the rate the facility received for the fiscal year ending June 30, 2000,
101 subject to verification of wage enhancement adjustments pursuant to
102 subdivision (15) of this subsection. For the fiscal year ending June 30,
103 2001, no facility with an interim rate, replaced interim rate or
104 scheduled rate adjustment specified in a certificate of need or other
105 agreement for the fiscal year ending June 30, 2001, shall receive a rate
106 increase that is more than two per cent more than the rate the facility
107 received for the fiscal year ending June 30, 2000. For the fiscal year
108 ending June 30, 2002, each facility shall receive a rate that is two and
109 one-half per cent more than the rate the facility received in the prior
110 fiscal year. For the fiscal year ending June 30, 2003, each facility shall
111 receive a rate that is two per cent more than the rate the facility
112 received in the prior fiscal year, except that such increase shall be
113 effective January 1, 2003, and such facility rate in effect for the fiscal
114 year ending June 30, 2002, shall be paid for services provided until
115 December 31, 2002, except any facility that would have been issued a
116 lower rate effective July 1, 2002, than for the fiscal year ending June 30,
117 2002, due to interim rate status or agreement with the department shall
118 be issued such lower rate effective July 1, 2002, and have such rate
119 increased two per cent effective June 1, 2003. For the fiscal year ending
120 June 30, 2004, rates in effect for the period ending June 30, 2003, shall
121 remain in effect, except any facility that would have been issued a
122 lower rate effective July 1, 2003, than for the fiscal year ending June 30,

123 2003, due to interim rate status or agreement with the department shall
124 be issued such lower rate effective July 1, 2003. For the fiscal year
125 ending June 30, 2005, rates in effect for the period ending June 30, 2004,
126 shall remain in effect until December 31, 2004, except any facility that
127 would have been issued a lower rate effective July 1, 2004, than for the
128 fiscal year ending June 30, 2004, due to interim rate status or
129 agreement with the department shall be issued such lower rate
130 effective July 1, 2004. Effective January 1, 2005, each facility shall
131 receive a rate that is one per cent greater than the rate in effect
132 December 31, 2004. Effective upon receipt of all the necessary federal
133 approvals to secure federal financial participation matching funds
134 associated with the rate increase provided in this subdivision, but in
135 no event earlier than July 1, 2005, and provided the user fee imposed
136 under section 17b-320 is required to be collected, for the fiscal year
137 ending June 30, 2006, the department shall compute the rate for each
138 facility based upon its 2003 cost report filing or a subsequent cost year
139 filing for facilities having an interim rate for the period ending June 30,
140 2005, as provided under section 17-311-55 of the regulations of
141 Connecticut state agencies. For each facility not having an interim rate
142 for the period ending June 30, 2005, the rate for the period ending June
143 30, 2006, shall be determined beginning with the higher of the
144 computed rate based upon its 2003 cost report filing or the rate in
145 effect for the period ending June 30, 2005. Such rate shall then be
146 increased by eleven dollars and eighty cents per day except that in no
147 event shall the rate for the period ending June 30, 2006, be thirty-two
148 dollars more than the rate in effect for the period ending June 30, 2005,
149 and for any facility with a rate below one hundred ninety-five dollars
150 per day for the period ending June 30, 2005, such rate for the period
151 ending June 30, 2006, shall not be greater than two hundred seventeen
152 dollars and forty-three cents per day and for any facility with a rate
153 equal to or greater than one hundred ninety-five dollars per day for
154 the period ending June 30, 2005, such rate for the period ending June
155 30, 2006, shall not exceed the rate in effect for the period ending June
156 30, 2005, increased by eleven and one-half per cent. For each facility
157 with an interim rate for the period ending June 30, 2005, the interim

158 replacement rate for the period ending June 30, 2006, shall not exceed
159 the rate in effect for the period ending June 30, 2005, increased by
160 eleven dollars and eighty cents per day plus the per day cost of the
161 user fee payments made pursuant to section 17b-320 divided by
162 annual resident service days, except for any facility with an interim
163 rate below one hundred ninety-five dollars per day for the period
164 ending June 30, 2005, the interim replacement rate for the period
165 ending June 30, 2006, shall not be greater than two hundred seventeen
166 dollars and forty-three cents per day and for any facility with an
167 interim rate equal to or greater than one hundred ninety-five dollars
168 per day for the period ending June 30, 2005, the interim replacement
169 rate for the period ending June 30, 2006, shall not exceed the rate in
170 effect for the period ending June 30, 2005, increased by eleven and one-
171 half per cent. Such July 1, 2005, rate adjustments shall remain in effect
172 unless (i) the federal financial participation matching funds associated
173 with the rate increase are no longer available; or (ii) the user fee
174 created pursuant to section 17b-320 is not in effect. For the fiscal year
175 ending June 30, 2007, each facility shall receive a rate that is three per
176 cent greater than the rate in effect for the period ending June 30, 2006,
177 except any facility that would have been issued a lower rate effective
178 July 1, 2006, than for the rate period ending June 30, 2006, due to
179 interim rate status or agreement with the department, shall be issued
180 such lower rate effective July 1, 2006. For the fiscal year ending June
181 30, 2008, each facility shall receive a rate that is two and nine-tenths
182 per cent greater than the rate in effect for the period ending June 30,
183 2007, except any facility that would have been issued a lower rate
184 effective July 1, 2007, than for the rate period ending June 30, 2007, due
185 to interim rate status or agreement with the department, shall be
186 issued such lower rate effective July 1, 2007. For the fiscal year ending
187 June 30, 2009, rates in effect for the period ending June 30, 2008, shall
188 remain in effect until June 30, 2009, except any facility that would have
189 been issued a lower rate for the fiscal year ending June 30, 2009, due to
190 interim rate status or agreement with the department shall be issued
191 such lower rate. For the fiscal years ending June 30, 2010, and June 30,
192 2011, rates in effect for the period ending June 30, 2009, shall remain in

193 effect until June 30, 2011, except any facility that would have been
194 issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal
195 year ending June 30, 2011, due to interim rate status or agreement with
196 the department, shall be issued such lower rate. The Commissioner of
197 Social Services shall add fair rent increases to any other rate increases
198 established pursuant to this subdivision for a facility which has
199 undergone a material change in circumstances related to fair rent,
200 except for the fiscal year ending June 30, 2010, and the fiscal year
201 ending June 30, 2011. Interim rates may take into account reasonable
202 costs incurred by a facility, including wages and benefits.

203 Sec. 3. Section 19a-507 of the general statutes is repealed and the
204 following is substituted in lieu thereof (*Effective July 1, 2009*):

205 (a) Notwithstanding the provisions of chapter 368z, New Horizons,
206 Inc., a nonprofit, nonsectarian organization, or a subsidiary
207 organization controlled by New Horizons, Inc., is authorized to
208 construct and operate an independent living facility for severely
209 physically disabled adults, in the town of Farmington, provided such
210 facility shall be constructed in accordance with applicable building
211 codes. The Farmington Housing Authority, or any issuer acting on
212 behalf of said authority, subject to the provisions of this section, may
213 issue tax-exempt revenue bonds on a competitive or negotiated basis
214 for the purpose of providing construction and permanent mortgage
215 financing for the facility in accordance with Section 103 of the Internal
216 Revenue Code. Prior to the issuance of such bonds, plans for the
217 construction of the facility shall be submitted to and approved by the
218 Office of Health Care Access. The office shall approve or disapprove
219 such plans within thirty days of receipt thereof. If the plans are
220 disapproved they may be resubmitted. Failure of the office to act on
221 the plans within such thirty-day period shall be deemed approval
222 thereof. The payments to residents of the facility who are eligible for
223 assistance under the state supplement program for room and board
224 and necessary services, shall be determined annually to be effective
225 July first of each year. Such payments shall be determined on a basis of
226 a reasonable payment for necessary services, which basis shall take

227 into account as a factor the costs of providing those services and such
228 other factors as the commissioner deems reasonable, including
229 anticipated fluctuations in the cost of providing services. Such
230 payments shall be calculated in accordance with the manner in which
231 rates are calculated pursuant to subsection (h) of section 17b-340, as
232 amended by this act, and the cost related reimbursement system
233 pursuant to said section except that efficiency incentives shall not be
234 granted. The commissioner may adjust such rates to account for the
235 availability of personal care services for residents under the Medicaid
236 program. The commissioner shall, upon submission of a request, allow
237 actual debt service, comprised of principal and interest, in excess of
238 property costs allowed pursuant to section 17-313b-5 of the regulations
239 of Connecticut state agencies, provided such debt service terms and
240 amounts are reasonable in relation to the useful life and the base value
241 of the property. The cost basis for such payment shall be subject to
242 audit, and a recomputation of the rate shall be made based upon such
243 audit. [The rate in effect June 30, 1991, shall remain in effect through
244 June 30, 1992, except that if the rate would have been decreased
245 effective July 1, 1991, it shall be decreased.] The facility shall report on
246 a fiscal year ending on the thirtieth day of September on forms
247 provided by the commissioner. The required report shall be received
248 by the commissioner no later than December thirty-first of each year.
249 The Department of Social Services may use its existing utilization
250 review procedures to monitor utilization of the facility. If the facility is
251 aggrieved by any decision of the commissioner, the facility may,
252 within ten days, after written notice thereof from the commissioner,
253 obtain by written request to the commissioner, a hearing on all items of
254 aggrievement. If the facility is aggrieved by the decision of the
255 commissioner after such hearing, the facility may appeal to the
256 Superior Court in accordance with the provisions of section 4-183.

257 (b) The Commissioner of Social Services may provide for work
258 incentive programs for residents of the facility.

259 Sec. 4. Subsection (b) of section 17b-104 of the general statutes is
260 repealed and the following is substituted in lieu thereof (*Effective July*

261 1, 2009):

262 (b) On July 1, 2007, and annually thereafter, the commissioner shall
263 increase the payment standards over those of the previous fiscal year
264 under the temporary family assistance program and the
265 state-administered general assistance program by the percentage
266 increase, if any, in the most recent calendar year average in the
267 consumer price index for urban consumers over the average for the
268 previous calendar year, provided the annual increase, if any, shall not
269 exceed five per cent, except that the payment standards for the fiscal
270 years ending June 30, 2010, and June 30, 2011, shall not be increased.

271 Sec. 5. Subsection (d) of section 17b-112 of the general statutes is
272 repealed and the following is substituted in lieu thereof (*Effective July*
273 *1, 2009*):

274 (d) Under said program (1) no family shall be eligible that has total
275 gross earnings exceeding the federal poverty level, however, in the
276 calculation of the benefit amount for eligible families and previously
277 eligible families that become ineligible temporarily because of receipt
278 of workers' compensation benefits by a family member who
279 subsequently returns to work immediately after the period of receipt of
280 such benefits, earned income shall be disregarded up to the federal
281 poverty level; (2) the increase in benefits to a family in which an infant
282 is born after the initial ten months of participation in the program shall
283 be limited to an amount equal to fifty per cent of the average
284 incremental difference between the amounts paid per each family size;
285 and (3) a disqualification penalty shall be established for failure to
286 cooperate with the biometric identifier system. Except when
287 determining eligibility for a six-month extension of benefits pursuant
288 to subsection (c) of this section, the commissioner shall disregard the
289 first [fifty] one hundred dollars per month of income attributable to
290 current child support that a family receives in determining eligibility
291 and benefit levels for temporary family assistance. Any current child
292 support in excess of [fifty] one hundred dollars per month collected by
293 the department on behalf of an eligible child shall be considered in

determining eligibility but shall not be considered when calculating benefits and shall be taken as reimbursement for assistance paid under this section, except that when the current child support collected exceeds the family's monthly award of temporary family assistance benefits plus [fifty] one hundred dollars, the current child support shall be paid to the family and shall be considered when calculating benefits.

Sec. 6. Subsection (g) of section 17b-340 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

(g) For the fiscal year ending June 30, 1993, any intermediate care facility for the mentally retarded with an operating cost component of its rate in excess of one hundred forty per cent of the median of operating cost components of rates in effect January 1, 1992, shall not receive an operating cost component increase. For the fiscal year ending June 30, 1993, any intermediate care facility for the mentally retarded with an operating cost component of its rate that is less than one hundred forty per cent of the median of operating cost components of rates in effect January 1, 1992, shall have an allowance for real wage growth equal to thirty per cent of the increase determined in accordance with subsection (q) of section 17-311-52 of the regulations of Connecticut state agencies, provided such operating cost component shall not exceed one hundred forty per cent of the median of operating cost components in effect January 1, 1992. Any facility with real property other than land placed in service prior to October 1, 1991, shall, for the fiscal year ending June 30, 1995, receive a rate of return on real property equal to the average of the rates of return applied to real property other than land placed in service for the five years preceding October 1, 1993. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, the rate of return on real property for property items shall be revised every five years. The commissioner shall, upon submission of a request, allow actual debt service, comprised of principal and interest, in excess of property costs allowed pursuant to section 17-311-52 of the regulations of Connecticut state

328 agencies, provided such debt service terms and amounts are
329 reasonable in relation to the useful life and the base value of the
330 property. For the fiscal year ending June 30, 1995, and any succeeding
331 fiscal year, the inflation adjustment made in accordance with
332 subsection (p) of section 17-311-52 of the regulations of Connecticut
333 state agencies shall not be applied to real property costs. For the fiscal
334 year ending June 30, 1996, and any succeeding fiscal year, the
335 allowance for real wage growth, as determined in accordance with
336 subsection (q) of section 17-311-52 of the regulations of Connecticut
337 state agencies, shall not be applied. For the fiscal year ending June 30,
338 1996, and any succeeding fiscal year, no rate shall exceed three
339 hundred seventy-five dollars per day unless the commissioner, in
340 consultation with the Commissioner of Developmental Services,
341 determines after a review of program and management costs, that a
342 rate in excess of this amount is necessary for care and treatment of
343 facility residents. For the fiscal year ending June 30, 2002, rate period,
344 the Commissioner of Social Services shall increase the inflation
345 adjustment for rates made in accordance with subsection (p) of section
346 17-311-52 of the regulations of Connecticut state agencies to update
347 allowable fiscal year 2000 costs to include a three and one-half per cent
348 inflation factor. For the fiscal year ending June 30, 2003, rate period, the
349 commissioner shall increase the inflation adjustment for rates made in
350 accordance with subsection (p) of section 17-311-52 of the regulations
351 of Connecticut state agencies to update allowable fiscal year 2001 costs
352 to include a one and one-half per cent inflation factor, except that such
353 increase shall be effective November 1, 2002, and such facility rate in
354 effect for the fiscal year ending June 30, 2002, shall be paid for services
355 provided until October 31, 2002, except any facility that would have
356 been issued a lower rate effective July 1, 2002, than for the fiscal year
357 ending June 30, 2002, due to interim rate status or agreement with the
358 department shall be issued such lower rate effective July 1, 2002, and
359 have such rate updated effective November 1, 2002, in accordance with
360 applicable statutes and regulations. For the fiscal year ending June 30,
361 2004, rates in effect for the period ending June 30, 2003, shall remain in
362 effect, except any facility that would have been issued a lower rate

363 effective July 1, 2003, than for the fiscal year ending June 30, 2003, due
364 to interim rate status or agreement with the department shall be issued
365 such lower rate effective July 1, 2003. For the fiscal year ending June
366 30, 2005, rates in effect for the period ending June 30, 2004, shall
367 remain in effect until September 30, 2004. Effective October 1, 2004,
368 each facility shall receive a rate that is five per cent greater than the
369 rate in effect September 30, 2004. Effective upon receipt of all the
370 necessary federal approvals to secure federal financial participation
371 matching funds associated with the rate increase provided in
372 subdivision (4) of subsection (f) of this section, but in no event earlier
373 than October 1, 2005, and provided the user fee imposed under section
374 17b-320 is required to be collected, each facility shall receive a rate that
375 is four per cent more than the rate the facility received in the prior
376 fiscal year, except any facility that would have been issued a lower rate
377 effective October 1, 2005, than for the fiscal year ending June 30, 2005,
378 due to interim rate status or agreement with the department, shall be
379 issued such lower rate effective October 1, 2005. Such rate increase
380 shall remain in effect unless: (A) The federal financial participation
381 matching funds associated with the rate increase are no longer
382 available; or (B) the user fee created pursuant to section 17b-320 is not
383 in effect. For the fiscal year ending June 30, 2007, rates in effect for the
384 period ending June 30, 2006, shall remain in effect until September 30,
385 2006, except any facility that would have been issued a lower rate
386 effective July 1, 2006, than for the fiscal year ending June 30, 2006, due
387 to interim rate status or agreement with the department, shall be
388 issued such lower rate effective July 1, 2006. Effective October 1, 2006,
389 no facility shall receive a rate that is more than three per cent greater
390 than the rate in effect for the facility on September 30, 2006, except any
391 facility that would have been issued a lower rate effective October 1,
392 2006, due to interim rate status or agreement with the department,
393 shall be issued such lower rate effective October 1, 2006. For the fiscal
394 year ending June 30, 2008, each facility shall receive a rate that is two
395 and nine-tenths per cent greater than the rate in effect for the period
396 ending June 30, 2007, except any facility that would have been issued a
397 lower rate effective July 1, 2007, than for the rate period ending June

398 30, 2007, due to interim rate status, or agreement with the department,
399 shall be issued such lower rate effective July 1, 2007. For the fiscal year
400 ending June 30, 2009, rates in effect for the period ending June 30, 2008,
401 shall remain in effect until June 30, 2009, except any facility that would
402 have been issued a lower rate for the fiscal year ending June 30, 2009,
403 due to interim rate status or agreement with the department, shall be
404 issued such lower rate. For the fiscal years ending June 30, 2010, and
405 June 30, 2011, rates in effect for the period ending June 30, 2009, shall
406 remain in effect until June 30, 2011, except any facility that would have
407 been issued a lower rate for the fiscal year ending June 30, 2010, or the
408 fiscal year ending June 30, 2011, due to interim rate status or
409 agreement with the department, shall be issued such lower rate.

410 Sec. 7. Subdivision (1) of subsection (h) of section 17b-340 of the
411 general statutes is repealed and the following is substituted in lieu
412 thereof (*Effective July 1, 2009*):

413 (h) (1) For the fiscal year ending June 30, 1993, any residential care
414 home with an operating cost component of its rate in excess of one
415 hundred thirty per cent of the median of operating cost components of
416 rates in effect January 1, 1992, shall not receive an operating cost
417 component increase. For the fiscal year ending June 30, 1993, any
418 residential care home with an operating cost component of its rate that
419 is less than one hundred thirty per cent of the median of operating cost
420 components of rates in effect January 1, 1992, shall have an allowance
421 for real wage growth equal to sixty-five per cent of the increase
422 determined in accordance with subsection (q) of section 17-311-52 of
423 the regulations of Connecticut state agencies, provided such operating
424 cost component shall not exceed one hundred thirty per cent of the
425 median of operating cost components in effect January 1, 1992.
426 Beginning with the fiscal year ending June 30, 1993, for the purpose of
427 determining allowable fair rent, a residential care home with allowable
428 fair rent less than the twenty-fifth percentile of the state-wide
429 allowable fair rent shall be reimbursed as having allowable fair rent
430 equal to the twenty-fifth percentile of the state-wide allowable fair
431 rent. Beginning with the fiscal year ending June 30, 1997, a residential

432 care home with allowable fair rent less than three dollars and ten cents
433 per day shall be reimbursed as having allowable fair rent equal to
434 three dollars and ten cents per day. Property additions placed in
435 service during the cost year ending September 30, 1996, or any
436 succeeding cost year shall receive a fair rent allowance for such
437 additions as an addition to three dollars and ten cents per day if the
438 fair rent for the facility for property placed in service prior to
439 September 30, 1995, is less than or equal to three dollars and ten cents
440 per day. For the fiscal year ending June 30, 1996, and any succeeding
441 fiscal year, the allowance for real wage growth, as determined in
442 accordance with subsection (q) of section 17-311-52 of the regulations
443 of Connecticut state agencies, shall not be applied. For the fiscal year
444 ending June 30, 1996, and any succeeding fiscal year, the inflation
445 adjustment made in accordance with subsection (p) of section
446 17-311-52 of the regulations of Connecticut state agencies shall not be
447 applied to real property costs. Beginning with the fiscal year ending
448 June 30, 1997, minimum allowable patient days for rate computation
449 purposes for a residential care home with twenty-five beds or less shall
450 be eighty-five per cent of licensed capacity. Beginning with the fiscal
451 year ending June 30, 2002, for the purposes of determining the
452 allowable salary of an administrator of a residential care home with
453 sixty beds or less the department shall revise the allowable base salary
454 to thirty-seven thousand dollars to be annually inflated thereafter in
455 accordance with section 17-311-52 of the regulations of Connecticut
456 state agencies. The rates for the fiscal year ending June 30, 2002, shall
457 be based upon the increased allowable salary of an administrator,
458 regardless of whether such amount was expended in the 2000 cost
459 report period upon which the rates are based. Beginning with the fiscal
460 year ending June 30, 2000, the inflation adjustment for rates made in
461 accordance with subsection (p) of section 17-311-52 of the regulations
462 of Connecticut state agencies shall be increased by two per cent, and
463 beginning with the fiscal year ending June 30, 2002, the inflation
464 adjustment for rates made in accordance with subsection (c) of said
465 section shall be increased by one per cent. Beginning with the fiscal
466 year ending June 30, 1999, for the purpose of determining the

467 allowable salary of a related party, the department shall revise the
468 maximum salary to twenty-seven thousand eight hundred fifty-six
469 dollars to be annually inflated thereafter in accordance with section
470 17-311-52 of the regulations of Connecticut state agencies and
471 beginning with the fiscal year ending June 30, 2001, such allowable
472 salary shall be computed on an hourly basis and the maximum
473 number of hours allowed for a related party other than the proprietor
474 shall be increased from forty hours to forty-eight hours per work week.
475 For the fiscal year ending June 30, 2005, each facility shall receive a rate
476 that is two and one-quarter per cent more than the rate the facility
477 received in the prior fiscal year, except any facility that would have
478 been issued a lower rate effective July 1, 2004, than for the fiscal year
479 ending June 30, 2004, due to interim rate status or agreement with the
480 department shall be issued such lower rate effective July 1, 2004.
481 Effective upon receipt of all the necessary federal approvals to secure
482 federal financial participation matching funds associated with the rate
483 increase provided in subdivision (4) of subsection (f) of this section,
484 but in no event earlier than October 1, 2005, and provided the user fee
485 imposed under section 17b-320 is required to be collected, each facility
486 shall receive a rate that is determined in accordance with applicable
487 law and subject to appropriations, except any facility that would have
488 been issued a lower rate effective October 1, 2005, than for the fiscal
489 year ending June 30, 2005, due to interim rate status or agreement with
490 the department, shall be issued such lower rate effective October 1,
491 2005. Such rate increase shall remain in effect unless: (A) The federal
492 financial participation matching funds associated with the rate increase
493 are no longer available; or (B) the user fee created pursuant to section
494 17b-320 is not in effect. For the fiscal year ending June 30, 2007, rates in
495 effect for the period ending June 30, 2006, shall remain in effect until
496 September 30, 2006, except any facility that would have been issued a
497 lower rate effective July 1, 2006, than for the fiscal year ending June 30,
498 2006, due to interim rate status or agreement with the department,
499 shall be issued such lower rate effective July 1, 2006. Effective October
500 1, 2006, no facility shall receive a rate that is more than four per cent
501 greater than the rate in effect for the facility on September 30, 2006,

502 except for any facility that would have been issued a lower rate
503 effective October 1, 2006, due to interim rate status or agreement with
504 the department, shall be issued such lower rate effective October 1,
505 2006. For the fiscal years ending June 30, 2010, and June 30, 2011, rates
506 in effect for the period ending June 30, 2009, shall remain in effect until
507 June 30, 2011, except any facility that would have been issued a lower
508 rate for the fiscal year ending June 30, 2010, or the fiscal year ending
509 June 30, 2011, due to interim rate status or agreement with the
510 department, shall be issued such lower rate.

511 Sec. 8. Subsection (a) of section 17b-244 of the general statutes is
512 repealed and the following is substituted in lieu thereof (*Effective July*
513 *1, 2009*):

514 (a) The room and board component of the rates to be paid by the
515 state to private facilities and facilities operated by regional education
516 service centers which are licensed to provide residential care pursuant
517 to section 17a-227, but not certified to participate in the Title XIX
518 Medicaid program as intermediate care facilities for persons with
519 mental retardation, shall be determined annually by the Commissioner
520 of Social Services, except that rates effective April 30, 1989, shall
521 remain in effect through October 31, 1989. Any facility with real
522 property other than land placed in service prior to July 1, 1991, shall,
523 for the fiscal year ending June 30, 1995, receive a rate of return on real
524 property equal to the average of the rates of return applied to real
525 property other than land placed in service for the five years preceding
526 July 1, 1993. For the fiscal year ending June 30, 1996, and any
527 succeeding fiscal year, the rate of return on real property for property
528 items shall be revised every five years. The commissioner shall, upon
529 submission of a request by such facility, allow actual debt service,
530 comprised of principal and interest, on the loan or loans in lieu of
531 property costs allowed pursuant to section 17-313b-5 of the regulations
532 of Connecticut state agencies, whether actual debt service is higher or
533 lower than such allowed property costs, provided such debt service
534 terms and amounts are reasonable in relation to the useful life and the
535 base value of the property. In the case of facilities financed through the

536 Connecticut Housing Finance Authority, the commissioner shall allow
537 actual debt service, comprised of principal, interest and a reasonable
538 repair and replacement reserve on the loan or loans in lieu of property
539 costs allowed pursuant to section 17-313b-5 of the regulations of
540 Connecticut state agencies, whether actual debt service is higher or
541 lower than such allowed property costs, provided such debt service
542 terms and amounts are determined by the commissioner at the time
543 the loan is entered into to be reasonable in relation to the useful life
544 and base value of the property. The commissioner may allow fees
545 associated with mortgage refinancing provided such refinancing will
546 result in state reimbursement savings, after comparing costs over the
547 terms of the existing proposed loans. For the fiscal year ending June 30,
548 1992, the inflation factor used to determine rates shall be one-half of
549 the gross national product percentage increase for the period between
550 the midpoint of the cost year through the midpoint of the rate year. For
551 fiscal year ending June 30, 1993, the inflation factor used to determine
552 rates shall be two-thirds of the gross national product percentage
553 increase from the midpoint of the cost year to the midpoint of the rate
554 year. For the fiscal years ending June 30, 1996, and June 30, 1997, no
555 inflation factor shall be applied in determining rates. The
556 Commissioner of Social Services shall prescribe uniform forms on
557 which such facilities shall report their costs. Such rates shall be
558 determined on the basis of a reasonable payment for necessary
559 services. Any increase in grants, gifts, fund-raising or endowment
560 income used for the payment of operating costs by a private facility in
561 the fiscal year ending June 30, 1992, shall be excluded by the
562 commissioner from the income of the facility in determining the rates
563 to be paid to the facility for the fiscal year ending June 30, 1993,
564 provided any operating costs funded by such increase shall not
565 obligate the state to increase expenditures in subsequent fiscal years.
566 Nothing contained in this section shall authorize a payment by the
567 state to any such facility in excess of the charges made by the facility
568 for comparable services to the general public. The service component
569 of the rates to be paid by the state to private facilities and facilities
570 operated by regional education service centers which are licensed to

571 provide residential care pursuant to section 17a-227, but not certified
572 to participate in the Title XIX Medicaid programs as intermediate care
573 facilities for persons with mental retardation, shall be determined
574 annually by the Commissioner of Developmental Services in
575 accordance with section 17b-244a. For the fiscal year ending June 30,
576 2008, no facility shall receive a rate that is more than two per cent
577 greater than the rate in effect for the facility on June 30, 2007, except
578 any facility that would have been issued a lower rate effective July 1,
579 2007, due to interim rate status or agreement with the department,
580 shall be issued such lower rate effective July 1, 2007. For the fiscal year
581 ending June 30, 2009, no facility shall receive a rate that is more than
582 two per cent greater than the rate in effect for the facility on June 30,
583 2008, except any facility that would have been issued a lower rate
584 effective July 1, 2008, due to interim rate status or agreement with the
585 department, shall be issued such lower rate effective July 1, 2008. For
586 the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect
587 for the period ending June 30, 2009, shall remain in effect until June 30,
588 2011, except that any facility that would have been issued a lower rate
589 for the fiscal years ending June 30, 2010, or June 30, 2011, due to
590 interim rate status or agreement with the department, shall be issued
591 such lower rate.

592 Sec. 9. Subdivision (1) of subsection (i) of section 17b-342 of the
593 general statutes is repealed and the following is substituted in lieu
594 thereof (*Effective July 1, 2009*):

595 (i) (1) On and after July 1, 1992, the Commissioner of Social Services
596 shall, within available appropriations, administer a state-funded
597 portion of the program for persons (A) who are sixty-five years of age
598 and older; (B) who are inappropriately institutionalized or at risk of
599 inappropriate institutionalization; (C) whose income is less than or
600 equal to the amount allowed under subdivision (3) of subsection (a) of
601 this section; and (D) whose assets, if single, do not exceed the
602 minimum community spouse protected amount pursuant to Section
603 4022.05 of the department's uniform policy manual or, if married, the
604 couple's assets do not exceed one hundred fifty per cent of said

605 community spouse protected amount and on and after April 1, 2007,
606 whose assets, if single, do not exceed one hundred fifty per cent of the
607 minimum community spouse protected amount pursuant to Section
608 4022.05 of the department's uniform policy manual or, if married, the
609 couple's assets do not exceed two hundred per cent of said community
610 spouse protected amount. For the fiscal years ending June 30, 2010,
611 and June 30, 2011, the caseload for the state-funded portion of the
612 program shall not exceed the caseload level on June 30, 2009.

613 Sec. 10. Subsection (a) of section 17b-371 of the general statutes, as
614 amended by section 1 of public act 09-1, is repealed and the following
615 is substituted in lieu thereof (*Effective July 1, 2009*):

616 (a) On July 1, [2009] 2011, to the extent permitted by federal law,
617 there shall be established within the General Fund, a separate,
618 nonlapsing account which shall be known as the "Long-Term Care
619 Reinvestment account". The account shall contain any moneys
620 required by law and this section to be deposited in the account. Any
621 funds resulting from the enhanced federal medical assistance
622 percentage received by the state under the Money Follows the Person
623 demonstration project pursuant to Section 6071 of the Deficit
624 Reduction Act of 2005 shall be deposited in the account.

625 Sec. 11. Subsection (d) of section 17b-371 of the general statutes, as
626 amended by section 1 of public act 09-1, is repealed and the following
627 is substituted in lieu thereof (*Effective July 1, 2009*):

628 (d) On or before January 1, [2010] 2012, and annually thereafter, the
629 Commissioner of Social Services shall submit a report, in accordance
630 with section 11-4a, to the Governor and to the joint standing
631 committees of the General Assembly having cognizance of matters
632 relating to human services and appropriations and the budgets of state
633 agencies concerning the long-term care reinvestment account
634 established under this section. The report shall include financial
635 information concerning the money in the account, including, but not
636 limited to, information on the number, amount and type of

637 expenditures from the fund during the prior calendar year and
638 estimates of the impact of the fund on present and future Medicaid
639 expenditures.

640 Sec. 12. Section 17b-372 of the general statutes is repealed and the
641 following is substituted in lieu thereof (*Effective July 1, 2009*):

642 (a) As used in this section, "small house nursing home" means an
643 alternative nursing home facility that (1) consists of one or more units
644 that are designed and modeled as a private home, (2) houses no more
645 than ten individuals in each unit, (3) includes private rooms and
646 bathrooms, (4) provides for an increased role for support staff in the
647 care of residents, (5) incorporates a philosophy of individualized care,
648 and (6) is licensed as a nursing home under chapter 368v.

649 (b) The Commissioner of Social Services shall establish, within
650 available appropriations, a pilot program to support the development
651 of up to ten small house nursing homes in the state in order to improve
652 the quality of life for nursing home residents and to support a goal of
653 providing nursing home care in a more home-like and less institution-
654 like setting.

655 (c) Any existing chronic and convalescent nursing home or rest
656 home with nursing supervision may apply to the commissioner for
657 approval of a proposal to develop a small house nursing home and to
658 relocate Medicaid certified beds from its facility to such small house
659 nursing home. The commissioner shall require each small house
660 nursing home under the pilot program to seek certification to
661 participate in the Title XVIII and Title XIX programs and may establish
662 additional requirements for such small house nursing homes. Not later
663 than October 1, 2008, the commissioner shall develop guidelines
664 relating to the design specifications and requirements for small house
665 nursing homes for purposes of the pilot program, and shall submit a
666 copy of the guidelines to the joint standing committee of the General
667 Assembly having cognizance of matters relating to human services.
668 Not later than thirty days after receipt of such guidelines, said joint

standing committee may advise the commissioner of its approval, denial or modifications, if any, of such guidelines. If said joint standing committee does not act during such thirty-day period, such guidelines shall be deemed approved. If approved, the commissioner shall make such guidelines available to applicants. Each chronic and convalescent nursing home or rest home with nursing supervision submitting a proposal shall provide: (1) A description of the proposed project; (2) information concerning the financial and technical capacity of the applicant to undertake the proposed project; (3) a project budget; (4) information that the relocation of beds shall result in a reduction in the number of nursing facility beds in the state; and (5) any additional information the commissioner deems necessary.

(d) The commissioner, in consultation with the Long-Term Care Planning Committee, established pursuant to section 17b-337, shall evaluate proposals received pursuant to subsection (c) of this section and may approve, after consultation with and approval of the Secretary of the Office of Policy and Management, up to ten proposals. The commissioner shall give preference to proposals that include the use of fuel cells or other energy technologies that promote energy efficiency in such small house nursing home. The commissioner [shall reserve two out of the ten approvals for] may give preference to proposals to develop a small house nursing home in a distressed municipality, as defined in section 32-9p, with a population greater than one hundred thousand persons.

(e) Notwithstanding the provisions of subsection (d) of this section, the commissioner shall approve no more than one project through June 30, 2011. The total number of beds under such project shall not exceed two hundred eighty beds.

[(e)] (f) A small house nursing home developed under this section shall comply with the provisions of sections 17b-352 to 17b-354, inclusive.

Sec. 13. Section 17b-600 of the general statutes is repealed and the

701 following is substituted in lieu thereof (*Effective July 1, 2009*):

702 The Commissioner of Social Services shall administer a program of
703 optional state supplementation as provided for by Title XVI of the
704 Social Security Act, as amended, and shall administer the program in
705 accordance with the requirements provided therein. In accordance
706 with the requirements of Title XVI of said Social Security Act, optional
707 state supplementation may be provided to aged, blind and disabled
708 individuals who receive supplemental security income benefits or who
709 would be eligible to receive such benefits except for income, provided
710 that any applicant or recipient of optional state supplementation shall
711 be ineligible for such supplementary assistance if such person has
712 made, within twenty-four months prior to the date of application for
713 such aid, an assignment or transfer or other disposition of property for
714 less than fair market value, for the purpose of establishing eligibility
715 for benefits or assistance under this section, provided ineligibility
716 because of such disposition shall continue only for either (1) twenty-
717 four months after the date of disposition or (2) that period of time from
718 date of disposition over which the fair market value of such property,
719 less any consideration received in exchange for its disposition, together
720 with all other income and resources, would furnish support on a
721 reasonable standard of health and decency, whichever period is
722 shorter, except that in any case where the uncompensated value of
723 disposed of resources exceeds twelve thousand dollars, the
724 Commissioner of Social Services shall provide for a period of
725 ineligibility based on the uncompensated value which exceeds twenty-
726 four months. Any disposition shall be presumed to have been made
727 for the purpose of establishing eligibility for benefits or assistance
728 unless the individual furnishes convincing evidence to establish that
729 the transaction was exclusively for some other purpose or the
730 disposition was made to a trust that complies with Section 1917(d)(4)
731 of the Social Security Act, 42 USC 1396p(d)(4), as amended from time
732 to time, and (A) the individual resides in a residential care home, as
733 defined in subdivision (17) of subsection (a) of section 19-13-D6 of the
734 regulations of Connecticut state agencies or resides in the facility

735 established by New Horizons, Inc. pursuant to section 19a-507, as
736 amended by this act; (B) the individual's available income, as defined
737 in section 5000.01 of the department's uniform policy manual (i)
738 exceeds three hundred per cent of the maximum Supplemental
739 Security Income program benefit for an individual, and (ii) is below
740 the private rate for the residential care home in which the individual
741 resides or for the facility established by New Horizons, Inc., as
742 applicable; (C) the trust is funded solely with the excess income
743 described in subparagraph (B) of this subdivision; and (D) the trust
744 provides that the state will receive, after repayment of Medicaid
745 assistance paid to or on behalf of the individual as set forth in Section
746 1917(d)(4) of the Social Security Act, as amended from time to time, all
747 amounts remaining in the trust upon the death of such individual up
748 to an amount equal to the total state supplemental assistance paid on
749 behalf of the individual under this section. Property which is exempted
750 from consideration in determining the financial eligibility of an
751 individual for benefits or assistance, such as a house in which the
752 individual resides, shall not be subject to the provisions of this section
753 regarding transfers of property if such property is disposed of while an
754 individual is receiving benefits or assistance under this section. The
755 program of optional state supplementation shall be administered in
756 accordance with regulations to be adopted by the Department of Social
757 Services, which regulations shall be consistent with the requirements
758 of Title XVI of the Social Security Act pertaining to programs of
759 optional state supplementation. Until such time as regulations are
760 adopted by the department governing the program of optional state
761 supplementation, the department is authorized to administer said
762 program in accordance with the regulations and departmental policy
763 manual provisions applicable to the aid to the elderly, aid to the blind
764 and aid to the disabled programs, which regulations and policy
765 manual provisions shall be fully applicable to the program of optional
766 state supplementation, except that in no event shall optional state
767 supplementation be given to persons who either are not recipients of
768 federal supplemental security income benefits or are not persons who,
769 except for income, would be eligible for supplemental security income

770 benefits.

771 Sec. 14. Section 17b-265e of the general statutes is repealed and the
772 following is substituted in lieu thereof (*Effective July 1, 2009*):

773 (a) There is established a fund to be known as the "Medicare Part D
774 Supplemental Needs Fund" which shall be an account within the
775 General Fund under the Department of Social Services. Moneys
776 available in said fund shall be utilized by the Department of Social
777 Services to provide assistance to Medicare Part D beneficiaries who are
778 enrolled in the ConnPACE program or who are full benefit dually
779 eligible Medicare Part D beneficiaries, as defined in section 17b-265d,
780 and whose medical needs require that they obtain nonformulary
781 prescription drugs. A beneficiary requesting such assistance from the
782 department shall be required to make a satisfactory showing of the
783 medical necessity of obtaining such nonformulary prescription drug to
784 the department. If the department, in consultation with the prescribing
785 physician, determines that the prescription is medically necessary, the
786 department shall cover the cost of the original prescription and any
787 prescribed refills of the original prescription, less any applicable
788 copayments. The department shall require as a condition of receiving
789 such assistance that a beneficiary establish, to the satisfaction of the
790 department, that the beneficiary has made good faith efforts to: (1)
791 Enroll in a Medicare Part D plan recommended by the commissioner
792 or the commissioner's agent; and (2) utilize the exception process
793 established by the prescription drug plan in which the beneficiary is
794 enrolled. The commissioner shall implement policies and procedures
795 to administer the provisions of this section and to ensure that all
796 requests for, and determinations made concerning assistance available
797 pursuant to this section are expeditiously processed. The fund
798 established pursuant to this subsection shall expire on July 1, 2009.

799 [(b) Assistance provided in accordance with the provisions of
800 subsection (a) of this section shall be subject to available funds. All
801 expenditures for prescription drugs under subsection (a) of this section
802 shall be charged to the Medicare Part D Supplemental Needs Fund.

803 (c) The Department of Social Services shall, in accordance with the
804 provisions of this section, pay claims for prescription drugs for
805 Medicare Part D beneficiaries, who are also either Medicaid or
806 ConnPACE recipients and who are denied coverage by the Medicare
807 Part D plan in which such beneficiary is enrolled because a prescribed
808 drug is not on the formulary utilized by such Medicare Part D plan.
809 Payment shall initially be made by the department for a thirty-day
810 supply, subject to any applicable copayment.]

811 (b) Pharmaceutical manufacturers shall pay rebate amounts
812 established pursuant to section 17b-491 to the department for
813 prescriptions paid by the department pursuant to this section on or
814 after January 1, 2007. The beneficiary shall appoint the commissioner
815 as such beneficiary's representative for the purpose of appealing any
816 denial of Medicare Part D benefits and for any other purpose allowed
817 under [said act] federal law and deemed necessary by the
818 commissioner.

819 [(d)] (c) Notwithstanding any provision of the general statutes, [not
820 later than July 1, 2006,] the Commissioner of Social Services [shall
821 implement a plan for pursuing] may pursue payment under Medicare
822 Part D by Part D plans for prescriptions denied as nonformulary
823 drugs, including remedies available through reconsideration by an
824 independent review entity, review by an administrative law judge, the
825 Medicare Appeals Council or Federal District Court. Reimbursement
826 secured from the Medicare Part D plan shall be returned to the
827 Department of Social Services.

828 [(e)] (d) The Department of Social Services, pursuant to subsection
829 [(d)] (c) of this section, may authorize appeals beyond the independent
830 review entity. [Upon determination by the department that it is not
831 cost-effective to pursue further appeals, the department shall pay for
832 the denied nonformulary drug for the remainder of the calendar year,
833 provided the beneficiary remains enrolled in the Part D plan that
834 denied coverage. Pending the outcome of the appeals process, the
835 department shall continue to pay claims for the nonformulary drug

836 denied by the Part D plan until the earlier of approval of such drug by
837 the Part D plan or for the remainder of the calendar year.]

838 Sec. 15. Subsection (e) of section 17b-491 of the general statutes is
839 repealed and the following is substituted in lieu thereof (*Effective July*
840 *1, 2009*):

841 (e) The commissioner shall establish an application form whereby a
842 pharmaceutical manufacturer may apply to participate in the program.
843 Upon receipt of a completed application, the department shall issue a
844 certificate of participation to the manufacturer. Participation by a
845 pharmaceutical manufacturer shall require that the department shall
846 receive a rebate from the pharmaceutical manufacturer for
847 prescriptions covered under the program, [and for prescriptions
848 covered by the department pursuant to subsection (c) of section 17b-
849 265e.] Rebate amounts for brand name prescription drugs shall be
850 equal to those under the Medicaid program. Rebate amounts for
851 generic prescription drugs shall be established by the commissioner,
852 provided such amounts may not be less than those under the Medicaid
853 program. A participating pharmaceutical manufacturer shall make
854 quarterly rebate payments to the department for the total number of
855 dosage units of each form and strength of a prescription drug which
856 the department reports as reimbursed to providers of prescription
857 drugs, provided such payments shall not be due until thirty days
858 following the manufacturer's receipt of utilization data from the
859 department including the number of dosage units reimbursed to
860 providers of prescription drugs during the quarter for which payment
861 is due.

862 Sec. 16. Section 17b-491c of the general statutes is repealed and the
863 following is substituted in lieu thereof (*Effective July 1, 2009*):

864 [Except as provided in subsection (c) of section 17b-265e, any] Any
865 pharmaceutical manufacturer of a prescription drug covered by the
866 Department of Social Services under any of the state medical assistance
867 programs administered by the department shall provide rebates to the

868 department for prescription drugs paid for by the department on or
 869 after February 1, 2008. The amount of rebates and the administration of
 870 the program shall be in accordance with subsections (e) and (f) of
 871 section 17b-491, as amended by this act.

872 Sec. 17. Section 17b-492d of the general statutes is repealed. (*Effective*
 873 *July 1, 2009*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	17a-485e
Sec. 2	<i>July 1, 2009</i>	17b-340(f)(4)
Sec. 3	<i>July 1, 2009</i>	19a-507
Sec. 4	<i>July 1, 2009</i>	17b-104(b)
Sec. 5	<i>July 1, 2009</i>	17b-112(d)
Sec. 6	<i>July 1, 2009</i>	17b-340(g)
Sec. 7	<i>July 1, 2009</i>	17b-340(h)(1)
Sec. 8	<i>July 1, 2009</i>	17b-244(a)
Sec. 9	<i>July 1, 2009</i>	17b-342(i)(1)
Sec. 10	<i>July 1, 2009</i>	17b-371(a)
Sec. 11	<i>July 1, 2009</i>	17b-371(d)
Sec. 12	<i>July 1, 2009</i>	17b-372
Sec. 13	<i>July 1, 2009</i>	17b-600
Sec. 14	<i>July 1, 2009</i>	17b-265e
Sec. 15	<i>July 1, 2009</i>	17b-491(e)
Sec. 16	<i>July 1, 2009</i>	17b-491c
Sec. 17	<i>July 1, 2009</i>	Repealer section

Statement of Legislative Commissioners:

Section 3 was removed because it is identical to section 8 of Public Act 09-2, An Act Concerning Deficit Mitigation Measures for the Fiscal Year Ending June 30, 2009. Sections 15 and 16 were added to make technical changes required by the bracketing of the existing subsection (c) of section 14 for accuracy.

HS *Joint Favorable Subst.*